

# Minutes



<b>Meeting name</b>	<b>Cabinet</b>
<b>Date</b>	<b>Wednesday, 16 December 2020</b>
<b>Start time</b>	<b>4.00 pm</b>
<b>Venue</b>	<b>This meeting was be held remotely</b>

## Present:

**Chair** Councillor J. Orson (Chair)

**Councillors** L. Higgins (Vice-Chair) R. de Burle  
A. Freer-Jones A. Pearson

**Observers** Councillor R. Bindloss  
Councillor P. Cumbers  
Councillor P. Chandler  
Councillor J. Douglas  
Councillor C. Evans

**Officers** Chief Executive  
Director for Housing and Communities  
Director for Corporate Services  
Director for Growth and Regeneration  
Assistant Director for Governance and Democratic Services  
Assistant Director for Planning and Delivery  
Democratic Services Manager  
Democratic Services Officer (CR)

Minute No.	Minute
132	<p><b>APOLOGIES FOR ABSENCE</b> There were no apologies for absence.</p>
133	<p><b>MINUTES</b> The minutes of the meeting held on 18 November 2020 were confirmed and authorised to be signed by the Chair.</p>
134	<p><b>DECLARATIONS OF INTEREST</b> Councillors Orson and Pearson each declared an interest in any items relating to Leicestershire County Council, due to their roles as a County Councillors.</p>
135	<p><b>MATTERS REFERRED FROM SCRUTINY COMMITTEE IN ACCORDANCE WITH SCRUTINY PROCEDURE RULES</b> No items had been referred from Scrutiny Committee in accordance with the Scrutiny Procedure Rules.</p>
136	<p><b>PERFORMANCE REPORTING FOR QUARTER 2 2020/21</b> Dawn Garton, Director for Corporate Services introduced the report, the purpose of which was to advise Members of current performance against the defined performance measures for the priority themes within the Council’s Corporate Strategy and to provide details relating to the first and second quarters of the financial year 2020/21 and of progress against key activities and projects.</p> <p>Mrs. Garton advised that the detailed information contained in appendix 1 was summarised in the report. Scrutiny Committee would consider this information on 22 December and this would help inform the Committee’s Workplan.</p> <p>Councillor Joe Orson, Leader of the Council commented on the importance of the report and highlighted that it was the first to set out the Council’s performance against its priorities and objectives within the new Corporate Strategy. During discussion the following points were noted:</p> <ul style="list-style-type: none"> <li>• Members noted that the report was comprehensive, detailing the work undertaken by the Council and the many improvements it had achieved (in housing benefit payments, homelessness and the use of bed and breakfast accommodation etc.)</li> <li>• Tackling homelessness was a priority for Members and officers. There was concern that homelessness may increase due to financial issues resulting from Covid-19 but the Council was prepared to address this.</li> <li>• Members commented on the Council’s priority to provide excellent services for the community and thanked all staff for their work to achieve this.</li> </ul> <p>Cabinet <b>NOTED</b> the contents of the report and provided observations or actions to the relevant officers.</p>

Reason for the decision

*Having established a new Corporate Strategy in September 2020, is it important the Council regularly receives and considers performance information to evaluate progress. The Council's Corporate Performance Measures are used to focus on key priority services and projects and seek to help inform the Cabinet, Members and Officers with regard to the formation of policy and oversight of delivery. This report will be provided to Cabinet twice a year and will also be provided to the Scrutiny Committee to enable them to consider appropriate areas for their Workplan.*

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**FOOD ENTERPRISE CENTRE UPDATE**

Pranali Parikh, Director for Growth and Regeneration introduced the report, the purpose of which was to note the work undertaken in support of growth and prosperity and approve plans to establish a new Food Enterprise Centre in Melton.

Ms. Parikh advised that establishing a Food Enterprise Centre and reinforcing Melton's identity as a rural capital of food was a priority within the Council's Corporate Strategy. The food production sector was key to Melton's economy and the Council's support and enhancement was crucial. Total funding for the project was £150k (representing Leicestershire Enterprise Partnership funding of £100k and Council funding of £50k).

Ms. Parikh detailed the Council's ambitious plan to establish a Food Enterprise Centre (working with and enabling farmers and food growers in the area; facilitating development of employment sites and facilities by developing the sites allocated in the Local Plan; technical support for businesses to help them retain and grow in size and ambition; developing skills in partnership with educational establishments to use skills and expertise; enhancing experience on the high street, within the town centre and rural areas by connecting food production and food experience placed and creating the farm to folk approach) and plan for enhancement through development of a cluster of businesses with on site production, classroom development facilities, networking possibilities, promotion and marketing. Partnership working would be key to the success of the project.

Funding opportunities would be sought for the next phase of Food Enterprise Centre investment and a range of activities to help create a detailed business case were detailed within the report.

Councillor Leigh Higgins, Portfolio Holder for Growth & Prosperity (and Deputy Leader) thanked Ms. Parikh and her team for their work. He highlighted that Melton was a strategic growth area in the Leicestershire growth plan and the strategic growth plan, which had been adopted. Sustainable growth was key to the creation of employment opportunities.

Councillor Higgins thanked the hospitality sector for their endurance through the Covid-19 pandemic. The Council had undertaken work to support the sector and

continued to lobby Government to ensure it received adequate funding.

Councillor Higgins highlighted that the Council aimed to include other initiatives in this plan to ensure that Melton benefited from any growth. He noted the work of food scientists to help drive Melton's economy and commented on the success of local businesses, which helped to promote Melton. He added that a Food Enterprise Centre would drive regeneration and tourism.

During discussion the following points were noted:

- Members welcomed the proposals and plans detailed in the report and thanks Councillor Higgins, Ms. Parikh and her team for their work.
- Melton's high quality food products were based on history, heritage and tradition and were enjoyed nationally and internationally, as well as locally.
- Food was a growing industry and the plans to support and enhance this sector were important for Melton's future. Members looked forward to the economic investment and improvements in Melton as a result of the project.
- Members noted that the Council was working closely with its partners on the project. Consultation with food production businesses had been undertaken last year in order to understand their needs and growth requirements. The feedback informed the proposed activities detailed in the report. This evidence base would be built on over the next 12 to 18 months.

Cabinet:

- 1) **NOTED** the work undertaken to support the promotion of growth and prosperity within Melton;
- 2) **APPROVED** plans to establish a new Food Enterprise Centre in Melton and notes the resources allocated and next steps.

*Reason for the decision*

*Priority 3 of the Council's Corporate Strategy (2020-2024) Delivering sustainable and inclusive growth in Melton, identifies a key focus to be on 'working with partners to promote Melton, and deliver the promise of the 'Rural Capital of food' (RCOF)'.*

*Melton has significantly higher than the national average of food and drink related manufacturing with approximately 3,000 people employed in the sector in 2017 (ONS).*

*This work is crucial in preparing a strong framework to guide future activities and attract inward investment in the area. The range of activities include development of the cattle market site to accommodate on-site food production businesses, business support activities, events, demonstrations, skills development, tourism and markets. Together all above mentioned activities contribute positively to create a strong brand for RCOF.*

*Establishing a Food Enterprise Centre in Melton is anticipated to achieve the following benefits:*

- Covid-19 has had a significant affect on food and drink related businesses. Some have been able to adapt and survive by switching their focus to online, or by changing the product line, but many others have found it increasingly difficult and often struggled to access the right support for them. Niche and technical business support for food production businesses is a gap this proposal will seek to fill.*
- Supporting the creation of new businesses through the support provided by development/ experimental kitchen space*
- Increased footfall and activities on site due to demonstration events, networking events, food festivals, training opportunities and retail offer*
- A new brand with associated literature and web presence for the southern site area and the offer of FEC*
- Improved understanding and provision of the infrastructure that are necessary on site to attract and retain major events throughout the year*
- Potential opportunity to raise awareness about the role of food production in climate change as well as health and well-being agenda*
- A detailed business case informed by evidence, for future provision of facilities, infrastructure and support required and financial implications for the same*
- Recognition of the Council's proactive approach and commitment to delivering the RCOF offer by using its assets and resources and leveraging further private sector investment*
- Melton will not just be known as the home of the pork pie or stilton cheese but as the place to go for a truly engaging and unique food experience that goes beyond just food but explore further our heritage, our unique stories that enrich the experience.*

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#### **SOUTH SUSTAINABLE NEIGHBOURHOOD MASTERPLAN UPDATE**

Jim Worley, Assistant Director for Strategic Planning and Delivery introduced the report, the purpose of which was to update Members on the prospect of Leicestershire County Council accepting the Housing Infrastructure Funding (HIF) award, the expectations they have placed upon Melton Borough Council including with regard to risk sharing and development of the revised Masterplan as a key element of the supporting information required by Homes England.

Mr. Worley confirmed that the Council and its partners were committed to the project. Leicestershire County Council (LCC) had invited the Council to work with them towards satisfying Homes England's pre-contract conditions and developers and other stakeholders (Davidson's, Greenlight and Truframe) had also expressed their desire and commitment to work collaboratively to complete the project.

Mr. Worley highlighted that the HIF bid was based on maximising development potential, seizing opportunity and accelerating development. A revised Masterplan was required by Homes England, as part of the pre-contract conditions and a development framework (Appendix A), viability assessment, 'planning strategy' and Housing Delivery Strategy had been developed (as detailed at paragraphs 3.2, 3.3

and Section 5 of the report) to form a basis for establishing the revised Masterplan.

Dawn Garton, Director for Corporate Services advised of the original basis for the financial risk sharing principles agreed between LCC and this Council for the project. They were based upon the fact that the Council had historically received financial benefit of development in the area through the New Homes Bonus Scheme and that it was therefore proposed part of this gain would be shared with LCC. However, the New Homes Bonus Scheme is being phased out and, as things stand, there would be very limited direct financial benefit from development to the Council. Underwriting the financial risk (market and developer) from the Council's core funding was out of proportion to its resources. Should the risk be realised, the Council would not be financially sustainable.

Mrs. Garton explained that the Council had limited reserves to draw upon and any payment would need to be borrowed and the debt serviced from the revenue budget. This would impact its financial viability and on the level of services provided from core funding, resulting in a redirection or reduction of services.

Mrs. Garton advised that although not providing the level of underwriting requested by LCC, the affordable limit of the financial risk sharing was £1m, which created an incentive on the Council to ensure the s106 monies for projects are collected. Entering into a risk sharing agreement at the level being requested by LCC would place the Council's future financial sustainability at risk and be potentially unlawful.

Councillor Joe Orson, Leader of the Council noted the recent collaborative work between LCC and this Council and thanked developers for confirming their commitment to the project. He noted the forthcoming meeting with the Director of Housing Delivery the Ministry of Housing, Communities and Local Government (MHCLG) and representatives from Homes England with a view to discussing the current position. He reiterated that given the scale of our budgets and financial risks associated with going further, the £1m was the maximum risk sharing cap this Council should agree and thanked Alicia Kearns MP for her support on this. He also noted that any contribution would be a pioneering agreement and beyond the scope of the Council's statutory responsibilities.

During discussion the following points were noted:

- The support and recognition received from Alicia Kearns MP for the Council's aims and aspirations to deliver the project.
- Members thanked Councillor de Burle for his work.
- Members thanked the community and Councillors (former and current) for their support of this project.
- That the HIF application was made by LCC and as a delivery partner the Council had supported the application but, been consistently clear about the financial limits of its support. The councils were working collaboratively to secure the HIF award and progress the project, which would benefit the whole of Leicestershire.
- The importance of the project to economic development and the amount of

work which had already been undertaken.

- LCC as Leicestershire's Highways Authority had the ultimate responsibility to ensure delivery of this project.
- The Council had to consider its fiscal responsibilities and statutory duties. The risk sharing amount proposed by LCC was unreasonable and untenable.
- If LCC believed the risk was too great for them to hold (with their annual budget of nearly £500m), it was not credible to transfer the risk to this Council (with a budget of only £5m).
- The Council had an excellent record of obtaining developer contributions (approximately 99.8%). Whilst the planning authority can do nothing about the market risk, should development come forward, it has demonstrated its capability of extracting the required contributions to secure long-term funding for the project.
- This project was a significant commitment for both councils with 10 years of austerity having impacted on both. Members appreciated the position held by LCC but could not risk the Council's financial sustainability.

Cabinet:

1) **NOTED:**

- a) the progress made towards acceptance of the Housing Infrastructure Fund (HIF) award and the positive and collaborative work undertaken between Melton Borough Council, Leicestershire County Council and developers;
  - b) the significant efforts that Melton Borough Council has undertaken to support infrastructure delivery within Melton;
  - c) that the decision as to whether to accept the Housing Infrastructure Funding rests with Leicestershire County Council and the risk associated with the delivery and funding for Highways and Education is a statutory function of the County Council which the Borough Council is committed to support;
- 2) **APPROVED** the proposed development layout included in Appendix A which will further develop the Masterplan to guide the consideration of future planning applications in the South Sustainable Neighbourhood area and support the County Council's intention to accept the Housing Infrastructure Fund award;
- 3) **APPROVED** in principle that the Borough Council enters into a risk sharing agreement on the basis of the principles set out in this report, specifically at section 5.10 which limits its financial liability as proposed i.e. up to £1m cap (capital) or £50k cap (revenue);
- 4) Subject to 2.3 and the County Council agreeing to proceed with the Borough Council's proposed cap, **APPROVED** the delegation of authority to the Director for Corporate Services in consultation with the Leader of the Council to negotiate the practicalities, parameters and terms of the risk sharing agreement before seeking approval from Council.

### Reason for the decision

*On 15th December 2020 Leicestershire County Council's Cabinet resolved to accept the Housing Infrastructure Fund award by means of a 'Grant Acceptance Agreement' with Homes England, subject to a number of conditions being met. Amongst these are acceptance by Melton Borough Council of the principle of a risk sharing agreement comprising, in summary:*

- Approval of an updated Masterplan for the area based upon the development framework presented (Appendix A to this report);*
- Appropriately resource the project with regard to its scale and complexity;*
- Prioritise developer contributions for education and highways in particular when handling planning applications;*
- Underwriting any shortfalls in developer contributions for infrastructure sought by the County Council that the Borough Council fails to secure through s106 agreements ;*
- Aim to secure delivery of 150 homes in land currently outside the MSSN area. Their report stipulated their expectation that underwriting also extends to 'market failure' should development not occur as anticipated for whatever reason.*

*A revised Masterplan is necessary in order to meet the requirements placed upon the County Council by Homes England to accept the HIF. It is one of a number of key documents required by Homes England in order to meet circa 20 pre-contractual conditions in order to secure the funding. At this stage a broad framework has been produced and agreed to provide a baseline for future planning work which would include a full revision of the approved Masterplan, which in turn would then provide the framework for the consideration of future planning applications.*

*Its key purposes are to demonstrate how the objectives of the HIF award would be realised in terms of the quantity, location and acceleration of development. Alongside the newly proposed development layout, a viability assessment, a 'planning strategy' (the approach to be taken to secure planning permission for both the MMDR and the development in the area), and a Housing Delivery Strategy (timetable, phasing and progress of the housing) have been developed. These are required to demonstrate the achievement of the HIF objectives relating back to the initial application, and to demonstrate viability of the overall project including the recovery of 'forward funded' infrastructure provision to enable recycling of the funds to other projects in future. Through the effective work of officers and the collaborative approach taken, it is proposed that these documents are approved and used as a basis for establishing an updated masterplan which can be agreed by all parties.*

*Any agreement with the County Council regarding the potential for any shortfall of recovered infrastructure costs is a requirement introduced by the County Council in order to protect their financial position. It is a worst case scenario whereby infrastructure investment is not recovered via s106 agreements associated with*



*future development. This could be because the recovered funding is not secured through section 106 agreements and/or the developments do not proceed to a point where the payments are due. Whilst the former may be a consequence of the Council being unable to require developers to sign a suitable S106 agreement, the latter could be considered a market failure to deliver which is outside the Council's control.*

*Given their statutory responsibilities, this risk rests with the County Council, nevertheless, Melton Borough Council has indicated its willingness to agree to such an approach and as such is prepared to meet this expectation in principle. However the extent of any underwriting needs to remain within affordable limits and the Council has clearly and repeatedly advised the County Council that exposure to a maximum sum of £1 million at any one time (or its equivalent in annual revenue terms) is its affordable limit. This is to ensure the Council does not jeopardise its financial sustainability and its fiduciary responsibilities. Through its Cabinet decision on 15th December, the County Council has indicated that the level of the proposed cap is insufficient but has not indicated what scale of underwriting is requested. Any increase to the proposed cap has the potential to impact the Council's core service provision and ultimate financial viability.*

*The Borough Council has previously embarked on several Masterplanning exercises and has engaged significantly with County Council colleagues and developers on this project. The Council is confident it can meet with the request to adequately resource and maintain its commitment to the subsequent masterplanning project work going forward.*

*The Council has a strong record of securing developer contributions requested by the County Council, and recognises that those for essential infrastructure should be afforded the highest priority. Over a 5 year horizon the Council has secured over 99% of the requests submitted and has resisted claims made by developers for concessions based upon viability. The current Masterplan for the area reiterates this priority and it is anticipated that the future impending Developer Contributions SPD will similarly recognise the importance of their priority.*

*The revised development framework (Appendix A) identifies additional land for the provision of c.150 dwellings, and the utilisation of some 9ha of allocated employment land for housing, with its partial replacement to the north across Leicester Rd. The recommendations above provide for the development of a Masterplan on this basis and the status of this, and how it may develop in future is addressed in greater detail in section 5 below.*

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**FUTURE PROVISION OF ICT SERVICES**

Dawn Garton, Director for Corporate Services introduced the report, the purpose of which was to update Members on the options available to Leicestershire ICT Partnership (LICTP) partner councils for delivery of their operational ICT service beyond December 2021.

Mrs. Garton outlined the proposed options for delivery (delegate the Council's ICT

function to Hinckley and Bosworth Borough Council (HBBC) and approve the delivery model of HBBC providing an insourced ICT service from January 2022 to 31 December 2026) following the most recent review of the service.

Mrs. Garton advised that the options were affordable and deliverable within time scales and would result in more control and better resilience for the partners. The options also allowed a much greater degree of innovation and focus on the digital strategy and would promote strategic progress.

Mrs. Garton highlighted that the options were subject to one-off costs and confirmed that the estimated ongoing costs were in line with the existing revenue budgets.

Councillor Ronnie de Burle, Portfolio Holder for Corporate Finance and Resources advised that high performing and reliable IT was essential to enable the Council to deliver excellent service to its community. The Council's performance data had indicated this was an area which needed to be improved. The proposed options would result in greater control and would create efficiencies and flexibility within service, as well as continued collaborative working with HBBC and Blaby District Council (BDC) and progression of the Council's digital aspirations.

During discussion the following points were noted:

- 'Future-proofing' a fit for purpose ICT service was key to the Council's ability to provide excellent services and engage effectively with the community.
- Members were pleased that the Council would continue to work in partnership with HBBC and BDC, noting that this would be more financially efficient.

Cabinet:

- 1) **APPROVED** to delegate Melton Borough Councils ICT function to Hinckley and Bosworth Borough Council representing the best option following a full options appraisal;
- 2) **APPROVED** the delivery model of Hinckley and Bosworth Borough Council providing an insourced ICT service to operate from January 2022 for a period of 5 years ending on 31st December 2026;
- 3) **APPROVED** funding of £52k to cover the Council's share of the one-off costs to support implementation as identified in Paragraph 9.5 of the report of which £17k be added to the capital programme (£10k 2020/21, £7k 2021/22) to be funded from revenue, the remaining £35k to be revenue;
- 4) **APPROVED** to delegate authority to the Director for Corporate Services to agree the terms of the inter authority delegation agreement with Hinckley and Bosworth Borough Council;
- 5) **APPROVED** the Partnership Charter at Appendix 3 of the report.

Reason for the decision

*The recommendation to adopt an insourced delivery model is supported by an options appraisal exercise which identified this as the best way forward for member Councils of the current partnership. The rationale for this model is that it is affordable, deliverable within the timescales, is straightforward to understand, will bring back more control to the partners, will enable the remaining partners to build better resilience than through any go it alone option and will allow a much greater degree of innovation and focus on the digital strategy. In addition a review undertaken by SOCITM (Society for Innovation, Technology and Modernisation) in 2018 highlights the lack of market interest should the partnership wish to consider continuing to outsource the service.*

*As there will be some one-off investment required a minimum initial period of five years will enable these costs to be justified.*

*The digital agenda continues to develop at pace and it is clear that the Partnership could gain even more benefits through moving to a closer, more collaborative and joined up working relationship. The Partnership Charter sets a framework in which this can happen effectively.*

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**BUSINESS RATES POOL FUNDING UPDATE - ASSET DEVELOPMENT PROGRAMME PHASE 1**

Pranali Parikh, Director for Growth and Regeneration introduced the report, the purpose of which was to propose Phase 1 of the Asset Development Programme.

Ms. Parikh outlined the Phase 1 proposals for the Council's land and property assets (for Phoenix House and the Cattle Market North) and highlighted the work undertaken to date (assessing the development potential of relevant assets, creating a new corporate property and assets team and securing £500k business rates pool grant funding, which the Council would match-fund with £375k).

Ms. Parikh highlighted that this was a long-term development programme, using a self financing model to develop the first phase of sites to generate capital receipts or revenue income, which would be reinvested in development of the space.

Ms. Parikh summarised the actions, which would be taken over future months relating to design and visibility, as well as commercial negotiations which would include engagement with occupiers of the buildings. She highlighted that Phoenix House did not currently prove financially beneficial, as its expenditure and the income it generated were similar. It had the potential to be developed, due to its location or to be disposed of in order to generate a capital receipt. Proposals would be submitted to Cabinet in May 2021. Disposal of the Cattle Market North site was proposed to generate a capital receipt for reinvestment either in the development of Phoenix House or another asset.

Councillor Leigh Higgins, Portfolio Holder for Growth and Regeneration (and Deputy Leader) advised of an amendment to recommendation 2 (at Section 2 of the report), which should reference Section 9 of the report (rather than Section 10).

Councillor Higgins advised that collaborative working with local Councillors was key and he welcomed Scrutiny Committee's involvement, noting the value of the feedback they would provide. Much work had been undertaken already and it was an ambitious project to make effective and efficient use of Council assets. It was important to consider whether strategic assets were able to deliver strategic aims for the Council and if not, identify the best options for the Council.

Councillor Higgins highlighted that the aim of the Development programme was to create financially sustainable models to support future development of assets and reduce the need to borrow.

Councillor Higgins noted that the Cattle Market North site had long been identified for housing and it was anticipated that this would result in economic regeneration and maximise the Council's gain. Concerning Phoenix House, the Council had been in discussion with Partners who occupy the building, giving them advance notice of the possibility for disposal of this asset and working with them should they need to find another site.

During discussion the following points were noted:

- Members thanked Ms. Parikh and Councillor Higgins for their work.
- Members noted that some of the work on this project dated back to 2008 and that since the implementation of new governance arrangements work had gained pace (and updates on the work had been provided to Members).
- Members agreed the need to be commercially minded and anticipated that Phase 1 investigations would identify opportunities leading to financial sustainability.
- Members highlighted their support for the valuable services currently provided at Phoenix House, reiterating that partners should be worked with closely to ensure no loss of service to the community.
- There was concern over the impact a possible disposal of Phoenix House would have on strategically placed and successful community centres (at the Cove, Fairmead and the Edge) if services moved there.
- The benefit of these centres was hard to quantify but they undoubtedly brought much value to individuals, the community and the Council (including financially) long-term.
- Officers would give consideration to concerns raised and liaise directly with Portfolio Holders.
- Assurance was given that Phase 1 involved appraisal and evaluation of Phoenix House, in order to determine the best and most financially viable option for the Council (disposal of Phoenix House was an option to be explored but had not been committed to at this stage).
- Phoenix House was currently not deriving any financial value for the Council and would require investment long-term.

- Members recognised the need for regeneration, to enable the Council to maximise its finances and further invest in the projects to safeguard its future and bring community prosperity.
- Scrutiny would play an important role in identifying issues to be considered and providing feedback to help inform decisions.

Cabinet:

- 1) **NOTED** the Corporate Assets Development programme and approves the approach for phase 1 relating to the development proposals for Phoenix House and Cattle Market North site, as well as the potential redevelopment of Parkside, as identified in Section 5 of the report;
- 2) **RECOMMENDED TO COUNCIL** the inclusion of £285k within the Capital Programme for the Asset Development Programme Phase 1 funded through £163,000 grant funding and £122,000 from the Council's capital receipts as set out in section 9 of the report;
- 3) **APPROVED** to Delegate authority to the Director for Growth and Regeneration in consultation with the Portfolio Holder for Growth and Prosperity to procure and appoint consultants and contractors to enable the use of this funding;
- 4) **APPROVED** to Delegate authority to the Director for Growth and Regeneration in consultation with the Director for Corporate Services to sign the grant agreement following relevant due diligence.
- 5) **APPROVED** the disposal of land at North cattle market site, as identified in appendix 2 with delegation to the Director or Growth and Regeneration to finalise any associated legal documentation.

Reason for the decision

*This proposal will help support the Corporate Priority of Delivering sustainable and inclusive growth in Melton by confirming plans, committing funding and developing our assets to generate income and provide housing and jobs growth.*

*This proposal supports the aspirations within the Council's Corporate Strategy to maximise the value of the Council's property portfolio ensuring effective and efficient use. It also supports the effective utilisation of grant funding secured for this purpose and will help the Council maximise the development potential of some of the assets which is not being realised currently. It will assist by reducing liabilities and cost of repair, maintenance, business rates, utilities and operational arrangements for the Council's assets.*

*The development of these two sites could potentially generate over 120 homes. This will help achieve the objectives of the Council's emerging Housing Strategy and contribute positively to achieving the Local Plan target of building 6175 homes by 2036.*

*Redevelopment of these sites will help revitalising the area by creating an opportunity for a high-quality gateway development on the edge of town centre.*

*According to the House Builders Federation, house building creates 1.2 construction jobs for the build, this would equate to approx. 144 full-time-equivalent jobs for the duration of the construction project.*

*By combining complementary services together in a prominent, accessible and sustainable location the proposals will also reinforce the use of Parkside as a shared service hub and consolidate operating costs and reduce duplication amongst a range of public sector partners. Should a feasible proposition be developed it would assist in generating additional income for the council and mitigating the lost income arising when the County Council vacates the building from December 2021.*

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### **MELTON SPORTS VILLAGE TENNIS FACILITIES IMPROVEMENT**

Andrew Cotton, Director for Housing and Communities introduced the report, the purpose of which was to provide an update on actions and seek approval in relation to the contractual arrangements for future management of the tennis courts.

Mr. Cotton advised that following Cabinet's decision (in September 2019) to approve a number of actions relating to the clarifying the funding arrangements of the investment required and gaining assurances of the financial sustainability of tennis provision at this site, the Council had worked with Melton Mowbray Tennis Club to secure approximately £39k grant funding and had confirmed the Tennis Club's investment, which included significant fundraising activities undertaken by the club. This had reduced the level of investment needed from the Council (from an anticipated £40k pounds to £9,400k).

Mr. Cotton advised that in partnership with the Council and the Lawn Tennis Association, the Tennis Club had developed a maintenance plan, covering the use of sinking funds both for corporate placements and other ongoing yearly maintenance. Adding the project to this year's capital programme would the works to finish in time for the start of the new tennis season in April 2021. The 24 year lease between the Council and the Tennis Club would rationalise contractual arrangements and would include the usual rent reviews and protections for both parties.

Councillor Alan Pearson, Portfolio Holder for Housing and Communities thanked all those involved with this project and thanked Councillor Leigh Higgins for the related work he had undertaken. Considerable effort had been put into the project and it would offer a valuable service to the community.

During discussion the following points were noted:

- Members welcomed the proposed recommendations, noting that the project would be of great benefit to the community.

- Members recognised the excellent work undertaken by the Tennis Club and by the Council's former Deputy Chief Executive, Keith Aubrey and it's Leisure and Culture Client Manager.
- Members thanked officers and Councillor Pearson for their work.
- Members noted that the project included a long-term plan to ensure finances were in place to maintain this asset.

Cabinet:

- 1) **RECOMMENDED TO COUNCIL** that £113,300 is added to the 2020/21 Capital Programme in relation to improvements at the tennis courts;
- 2) **NOTED** funding total of £103,900 to deliver the required improvements to the tennis courts at the Melton Sports Village as detailed in paragraph 1.2 above;
- 3) Subject to the Council approving the recommendation at 2.1:
  - a) **RECOMMENDED TO COUNCIL** that £9,400 be provided from capital receipts to support the remaining costs of delivering the project.
  - b) **AUTHORISED** a variation to the contract with the current Leisure Provider SLM noting the financial impact as outlined in para 8.3 to remove the responsibilities relating to the tennis courts with a delegation to the Director of Housing and Communities to finalise the agreement.
  - c) **AUTHORISED** the procurement for project works, and delegates to authority to the Director of Housing & Communities the award any subsequent contract.
  - d) **AUTHORISED** a 24 year lease with MMTc for the tenure of the tennis facilities site, and delegates to the Director for Housing & Communities in consultation with the Director of Corporate Services to negotiate, agree and enter into any such lease agreement.

Reason for the decision

*An Independent Report from Sport England Consultants - TGMS (Appendix 1) highlighted that the courts require investment and are reaching the end of their lifespan, as the macadam has become weak and is breaking away causing cracking on the surface.*

*The Council wants to continue to provide tennis facilities at the council-owned asset and therefore needs to invest in the facilities to manage this effectively.*

*The Council, in partnership with the MMTc, has secured £103,900 of funding/partner contribution representing the most cost effective way of improving our asset, together with an additional contribution of £9,400 from the Council.*

*Working to secure a long term trusted partner on the site will help to generate additional community investment, participation in physical activity, and improve the asset over a 24year period, with rental income and no additional costs to the Council during this period.*

The meeting closed at: 6.15 pm

Chair